



Annual Report

October 25, 2024

This report was developed by the Virginia Offshore Wind Development Authority and does not represent the official position of any government agency or the Governor.

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<https://www.energy.virginia.gov/offshore-wind/VOWDA.shtml>



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Introduction

The Virginia Offshore Wind Development Authority (VOWDA) supports the efforts by the Virginia Department of Energy (Virginia Energy), the Federal Bureau of Ocean Energy Management (BOEM), Dominion Energy, Avangrid, and other stakeholders to help accelerate offshore wind development projects off the coast of Virginia, address environmental and financial issues, and create port and supply chain economic opportunities.

VOWDA's 2024 Annual Report addresses the activities VOWDA has undertaken since its 2023 Annual Report. This report represents a high-level overview the meetings of the full VOWDA membership, as well as those of several subgroups, which were formed to help inform and execute VOWDA's 2023 Work Plan and to provide informed recommendations based on input from subject matter experts.

This year, members began researching several topics, including:

- Electrical off-taker research and recommendations
- How to best leverage the Commonwealth's ocean planning efforts
- Research and recommendations on OSW workforce training and preparedness
- Research and Development needs and recommendations

Based on activities and accomplishments in 2023-2024, the Authority makes the following recommendations for 2024-2025 to further advance offshore wind development and related supply chain activities in Virginia. The recommendations are ranked in order of priority.

RECOMMENDATIONS

RECOMMENDATION 1: Continue to support the current CVOW Commercial project and Dominion Energy's recently acquired CVOW South (formerly Kitty Hawk Wind North), Kitty Hawk Wind South, and other future projects, through public meetings, comments on BOEM documents and reports, facilitating the resolution of potential use conflicts with all stakeholders, and working towards meeting the offshore wind goals of the Virginia Clean Economy Act.

RECOMMENDATION 2: Continue to work with all stakeholders to create a regional supply chain and workforce for the CVOW Commercial, CVOW South, and future offshore wind projects. Collaborate with offshore wind project developers and manufacturers, the Virginia Economic Development Partnership, universities, workforce councils, the Virginia Port Authority, the Virginia Maritime Association, the Virginia, Maryland, and North Carolina SMART-POWER initiative, and other stakeholders to promote existing Virginia companies and attract new ones as part of the supply chain for offshore wind.

- RECOMMENDATION 3:** Continue to actively solicit and support research and development opportunities and activities to reduce the cost and risk of developing wind resources and the supply chain and leveraging the Virginia Energy Research Lease area in conformance with existing agreements. Work with Virginia colleges and research universities to promote the benefits of using other areas adjacent to the Research Lease for important wind research, e.g., impacts of hurricanes, impacts on marine and avian life, and commercial and recreational fishing.
- RECOMMENDATION 4:** Continue to work to identify and resolve barriers and find pathways to enable power off-takers in the Commonwealth to meet their clean energy commitment with offshore wind.
- RECOMMENDATION 5:** Promote the continued refinement and deconfliction of BOEM’s Central Atlantic Lease Areas off the East Coast in consultation with the Department of the Interior and all interested Virginia stakeholders.

As required by § 45.2-1808 of the Code of Virginia, the Authority submits this 12th annual report to the Governor and the Chairpersons of the House Appropriations Committee, the Senate Finance Committee and the House and Senate Commerce and Labor Committees.

MISSION AND OBJECTIVES OF VOWDA

The Virginia General Assembly created the Virginia Offshore Wind Development Authority (VOWDA or the Authority) in 2010 for the purposes of facilitating, coordinating, and supporting the development of the offshore wind energy industry, offshore wind energy projects, and related supply chain opportunities. Code of Virginia § 45.2-1804 tasks the Authority with supporting Virginia offshore job creation and supply chain development, in cooperation with relevant local, state, and federal agencies and nongovernmental entities. A copy of the Authority’s Mission Statement and Objectives can be found in *Appendix A*.

The Governor appoints up to nine non-legislative citizen members. The Director of Virginia Energy serves as the Director of the Authority, and Virginia Energy serves as staff to the Authority. The list of VOWDA Members is included as *Appendix B*.

The legislation requires the Authority to provide an annual summary of Authority activities and policy recommendations to the Governor and the Chairmen of the House Committee on Appropriations, the Senate Committee on Finance and Appropriations, the House Committee on Labor and Commerce, and the Senate Committee on Commerce and Labor. For the 2023 VOWDA annual report, click here: [2023 VOWDA Annual Report](#).

DIVISION REPORT

Under § 45.2-1802, which establishes the Division of Offshore Wind within the Virginia Department of Energy (Virginia Energy), Virginia Energy collaborates with agencies and offshore wind stakeholders to provide data and other information in recurring and ad hoc, usually confidential, communications and meetings with the Governor's Office. This collaboration includes identifying regulatory and other barriers to the deployment of offshore wind, controlling the cost to ratepayers, minimizing negative impacts to other ocean users and wildlife, and attracting offshore wind supply chain investments.

The efforts of VOWDA and Virginia Energy are synchronized, sharing objectives and mission, including identifying measures that will facilitate the establishment of the Hampton Roads region as a wind industry hub and create opportunities for Commonwealth-based businesses to participate in the offshore wind industry supply chain, and attract out-of-state and foreign offshore wind-related businesses to locate within the Commonwealth.

2024 VOWDA ACTIVITIES

To accomplish its goals and objectives, the Authority regularly updates and works to implement a comprehensive work plan. To improve communications and coordination regarding VOWDA's work tasks and other state activities to facilitate the development of the offshore wind resource and supply chain, Virginia Department of Energy staff held monthly calls with stakeholders listed in Objective 2 below.

In 2023-2024, VOWDA focused on five objectives. Members developed tasks to achieve these objectives, completing several activities this year that support offshore wind power development.

1. Accelerate the drive for resources and policies to ensure that the first phase of the CVOW Commercial project takes place through 2024, with additional installation phases continuing in 2025 and completion of up to 2,600 MW of wind energy off Virginia's shore in 2026.
2. Develop a coordinated policy, economic development, and workforce development strategy to incentivize and ensure offshore wind supply chain opportunities for Virginia. Collaborate with stakeholders, including Dominion Energy, , Avangrid, Virginia Economic Development Partnership, universities, the Virginia Port Authority, the Virginia Maritime Association, Virginia and European manufacturers, and others to promote Virginia companies as part of the supply chain for offshore wind.
3. Actively solicit research and development opportunities and activities to reduce the cost and risk of developing the wind resource and supply chain, including leveraging the CVOW Commercial project and other uses of the Virginia Department of Energy's Research Lease in conformance with existing agreements.

4. Identify barriers and possible pathways to advance the offshore wind industry and enable potential power off-takers in the Commonwealth with clean energy commitments.
5. Work towards a multi-state regional supply chain cluster in Mid- and South Atlantic coastal states, offering the industry a larger pipeline of projects and a wide network of the best of what each state has to offer.

VOWDA held three regular meetings to discuss supply chain research and development needs and priorities. An overview of each meeting follows. Presentations from various stakeholders and subject matter experts at meetings can be viewed on the Authority's webpage at: <https://energy.virginia.gov/offshore-wind/Presentations.shtml>.

January 24, 2024 Meeting

- ❖ Matt Smith with the Hampton Roads Alliance provided an update on Virginia's offshore wind supply chain development outlook and strategy. The presentation included the supply chain opportunities, a description of the competitive landscape and what other states are doing to attract the supply chain, local constraints, Virginia's strengths, and actions necessary to support near-term goals. Mr. Smith noted that port infrastructure is becoming less of a differentiator for Virginia, as states and private entities are investing approximately \$1.5B in port development along the East Coast
- ❖ Jerry Cronin with Old Dominion University discussed their ARIEL program, an industry-driven, multi-asset testbed for developing, testing, and certifying offshore wind and other marine energy technologies. The goals of ARIAL are to:
 - Offer solution providers a structured environment to develop and test new products and services
 - Accelerate job creation in the offshore wind and related industries by fostering innovation and adoption of new technologies, and
 - Assist the Commonwealth in maintaining a leadership position for offshore energy development and supply chain growth.

April 17, 2024, Meeting

- ❖ John Larsen with Dominion Energy provided an interim update on the status of CVOW Commercial project, including monopile staging at Portsmouth Marine Terminal (PMT), the status of transition piece manufacturing, and an update on their installation vessel, Charybdis, indicating it would be complete in time for CVOW tower installation. He indicated there were approximately 800 people working on the CVOW project, with around 650 of these from the Hampton Roads area, and expected this number to peak at least 1,600 during the construction phase.
- ❖ Patrick Kinsman shared updates on the PMT offshore wind staging port. Mr. Kinsman indicated the PMT upgrades are ahead of schedule and are expected to be complete in January 2025.
- ❖ Other items discussed included a brief workforce update, an update on participation in the Virginia Offshore Wind Supplier Development Grant, a program designed to incentivize smaller existing Virginia manufacturers to enter into the production of goods to support the offshore wind industry in Virginia, Virginia's commitment to supporting the National Offshore Wind Research and Development Consortium, and a briefing on an economic impact study showing the economic

benefits the Kitty Hawk Offshore Wind project off North Carolina can bring to Virginia.

July 17, 2024, Meeting

- ❖ Dominion Energy provided another quarterly update on the CVOW Commercial project, highlighting accomplishments to date and the objectives ahead, including installing 30 of the 176 monopile foundations, with 75 – 100 expected by the end of the 2024 installation season. Upcoming work includes the installation of three, 4,000-ton substations, and 365 miles of export cables that will come ashore at the State Military Reservation just south of the Virginia Beach resort area.
- ❖ Abraham Silverman with SilverGreen Energy Consulting, and a research scholar at Johns Hopkins University with extensive experience in both the public and private sectors, discussed the Northeast State Collaborative (Collaborative) on Interregional Transmission. The Collaborative provides a central organization for interested states to coordinate with DOE, independent system operators and regional transmission organizations, and other key stakeholders, to identify key transmission priorities and to develop practical solutions to building out the onshore and offshore transmission grid.

Mr. Silverman discussed the importance of planning transmission to reduce duplicative work and on integrating shared priorities into regional planning, including and beyond the Northeast region. The Collaborative is established to work closely with the U.S. Department of Energy to coordinate interregional transmission with a focus on integrating shared priorities, identifying mechanisms needed to facilitate and work toward addressing the need for common transmission standards, and identifying concrete issues to develop solutions to transmission planning needs for the next five to ten years.

- ❖ A brief discussion was held on the 2025 International Partnering Forum (IPF) scheduled for April 28 to May 1, 2025 in Virginia Beach. The IPF is the largest offshore wind and ocean renewables conference in the Americas. Hosted by Oceantic Network, IPF is where industry experts from around the world come together to transform the industry through collaboration and innovation. VOWDA members are of a like mind that the Commonwealth should take advantage of the IPF's location in Virginia to maximize efforts to demonstrate Virginia's commitment to supporting offshore wind development and its associated supply chain and workforce development opportunities in and beyond the Hampton Roads area.



APPENDIX A

MISSION STATEMENT AND OBJECTIVES

Virginia Offshore Wind Development Authority

Mission Statement

The Virginia Offshore Wind Development Authority (the "**Authority**") is created as a political subdivision of the Commonwealth for the purpose of facilitating, coordinating, and supporting the development (either by the Authority or by other qualified entities) of the offshore wind energy industry, offshore wind energy projects, and supply chain vendors by:

- A. Collecting relevant metocean and environmental data;
- B. Identifying existing state and regulatory or administrative barriers to the development of the offshore wind energy industry;
- C. Working in cooperation with relevant local, state, and federal agencies to upgrade port and other logistical facilities and sites to accommodate the manufacturing and assembly of offshore wind energy project components and vessels; and
- D. Ensuring that the development of such wind power projects are compatible with other ocean uses and avian and marine resources, including both the possible interference with and positive effects on naval facilities and operations, NASA's Wallops Flight Facility operations, commercial shipping lanes, recreational and commercial fisheries, and avian and marine species and habitats.

The Authority shall, in cooperation with the relevant state and federal agencies as necessary, recommend ways to encourage and expedite the development of the offshore wind energy industry.

The Authority shall also consult with research institutions, businesses, nonprofit organizations, and stakeholders, as the Authority deems appropriate.

The Authority shall consider seeking grant and/or loan guarantees and/or entering into public-private partnerships to assist in the development of offshore wind.

The Authority shall provide by October 15 each year, an annual summary of the activities of the Authority and policy recommendations to the Governor, the Chairs of the House and Senate Commerce and Labor Committees and the Chairs of the House Appropriations and Senate Finance Committees (the "Annual Report"). The Annual Report shall include specific policy recommendations that shall be derived from and supported by the actions, results, and deliberations of the Authority in carrying out its objectives listed below.

Virginia Offshore Wind Development Authority

Objectives

A. Virginia Offshore Industry Data: Facilitate the definition, collection, dissemination of relevant metocean data, environmental data, and other information needed by Virginia offshore wind stakeholders, utilizing existing, planned, or projected sources of data collection or activities.

1. Direct and provide support to the Virginia Department of Energy to gather, reconcile and disseminate information and data required for the development of the offshore wind industry and offshore wind facilities. Specifically, develop a strategy and action plan to:
 - a. Inventory the available information (e.g., wind data, environmental data, oceanographic data, sea current data, electricity transmission data, port and shipping data, DOD/Navy Coast Guard requirements, integration of the Chesapeake Light Tower, offshore LIDAR buoy data, wind turbine construction and operating cost data, etc.).
 - b. Gather stakeholder input regarding what information is required to support the offshore wind industry.
 - c. Reduce gaps in information required versus information collected¹.
 - d. Collect, process, and disseminate this information to stakeholders.
2. Collect, monitor, and provide information regarding the delivered cost, rate impact, economic impact, and environmental benefits of electricity generated from offshore wind projects that considers existing studies, legislative and regulatory actions by the Commonwealth, federal government and other states, and information provided by stakeholders and interested parties.
3. Review, support/endorse and possibly participate in federal grant applications and state efforts that support projects that will improve the offshore wind value chain to shorten completion times, reduce the delivered cost of power, and create job opportunities.

¹ Note that the Department of the Interior plans to make available to lessee's available federal data at the time of the lease sale for offshore wind.

Virginia Offshore Wind Development Authority

Objectives

B. Offshore Leasing, Permitting, Financing, and Regulation: Identify existing federal and state barriers to the development of the offshore wind industry in Virginia.

1. Define, identify, and provide information regarding:
 - a. Virginia's renewable energy goals with respect to offshore wind as well as state and federal incentives for renewable energy development.
 - b. The current federal and state regulatory framework for the development, transmission, generation and purchasing power for offshore wind in Virginia.
2. Develop a process to gather and validate stakeholder input regarding perceived and/or real federal and state regulatory and administrative barriers to the development of the offshore wind industry in Virginia and work with stakeholders to create action plans or strategies to remove or reduce those barriers.
3. Incorporate results of these findings into the Annual Report.

C. Virginia Offshore Job Creation & Supply Chain Development: Work in cooperation with relevant local, state, and federal agencies to accommodate the manufacturing, assembly, and maintenance of offshore wind energy project components and vessels.

1. Support the Virginia Economic Development Partnership (VEDP) to:
 - a. Assess the competitiveness of Virginia for the location of manufacturing, assembly, portage, and service centers to support the offshore wind industry.
 - b. Define and implement strategies to attract industry to locate facilities in Virginia that will support the manufacturing, assembly, service, and transport resources required by the industry participants; and
 - c. Address the training and human resource requirements and the mechanism to provide the necessary human resources.
2. Consider incentives and/or policy initiatives needed to attract offshore-related business to Virginia to create employment opportunities and balance the delivered cost of offshore wind and incorporate any recommendations regarding those incentives/policy initiatives into the Annual Report.



APPENDIX B

VOWDA MEMBERS

AUTHORITY MEMBERS

Will Fediw, Chair

Senior Vice President
Virginia Maritime Association

Chris Gullickson, Vice Chair

Director, Economic Development Virginia Port Authority

Ashley McLeod

Lead Offshore Wind Public Affairs
Avangrid

Joseph Nash

Energy and Environment Consultant

Kathleen P. Owens

Founder and President
Beach Development Group

Howard Shafferman Founder

Haswell Group, LLC

Bryan K. Stephens

President and CEO
Hampton Roads Chamber

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